

## TESTIMONY OF THE CONNECTICUT STATE GRANGE IN SUPPORT OF HOUSE BILL 6498, AN ACT CONCERNING THE SALES AND USE TAX RATE

## **FEBRUARY 23, 2009**

I am Gordon Gibson of Vernon, Legislative Director for the Connecticut State Grange. I am speaking today on behalf of the 4,000 Grange members throughout Connecticut in support of House Bill 6498, An Act Concerning The Sales And Use Tax Rate.

While no one likes to see taxes increased, we have to recognize that with rising costs in many areas it is going to cost the State more next year to provide the same level of services it has in the past year. The money to pay these costs has to come from someplace. Our existing sales and use tax law provides exemptions for certain purchases for farmers and others. Many farmers are just getting by financially now. The loss of their sales and use tax exemptions, as previously proposed in House Bill 6350, would be enough to force them out of business. Then they would not pay any tax and their land might be sold for development, irretrievably removing it from our diminishing base of prime farmland.

The Grange therefore supports House Bill 6498 which would increase the sales and use tax rate to 7%, but would allow many of our farmers to stay in business, preserve their land and continue to employ their share of the 50,000 people now employed in Connecticut's agriculture industry.

Thank you for your consideration of my testimony.

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